

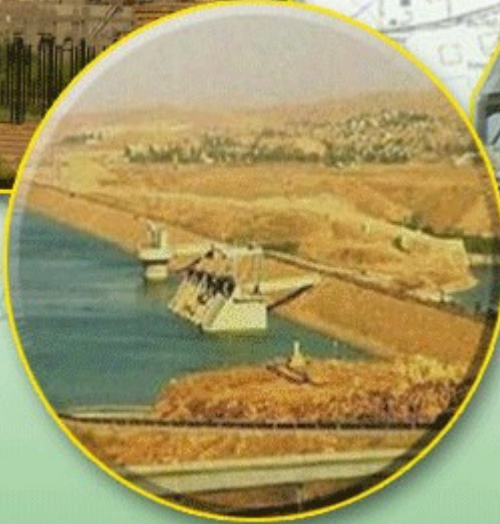


Department of the Army
Assistant Secretary for Acquisition, Logistics and Technology



2005 Acquisition Senior Leaders and AMC Commanders Conference

Aug 22-25, 2005

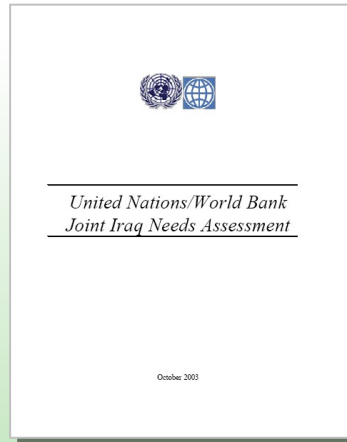


Iraq Reconstruction: An



By way of background.....

UN/WB Joint Iraq Needs Assessment, Oct 03



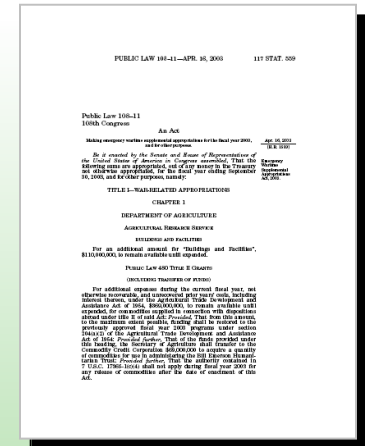
\$56.1B
6000+
Projects

CPA Program Management Plan Oct 03



\$20.3B
2700+
Projects

Public Law 108-106 106th Congress, Nov 6, 03

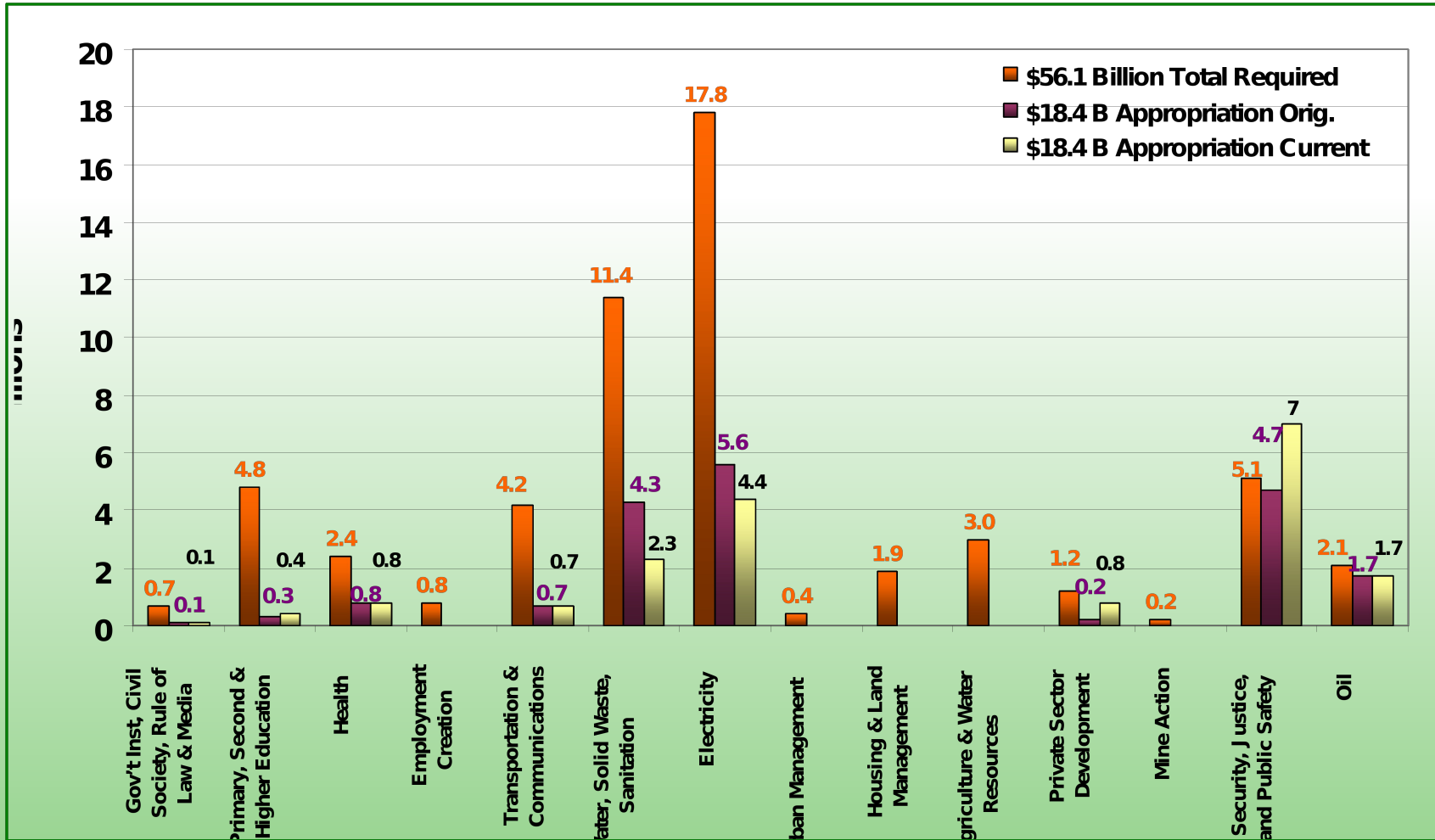


\$18.4B
2300+
Projects
IRRF 2



Iraq Reconstruction Requirements

41,000 projects = 3,200



1. \$56.1B from United Nations/World Bank Joint Iraq Needs Assessment, October 2003
2. \$18.4B (Original) Program Management Plan For The Iraq Infrastructure Reconstruction Program, October 2003



USAID \$2.976 B



IRRF \$18.4

Billions

DoD
\$12.9 B



Other
\$ 2.5
B

- DOS
- Treasury
- USIP

DoD Programs
\$12.9 B



+

DoD Non-Construction
\$8.7 B

DoD Construction
\$4.2 B



Electricity
\$ 3.044 B



Security & Justice
\$ 2.026 B



Water
\$ 1.664 B



Oil
\$ 1.277 B



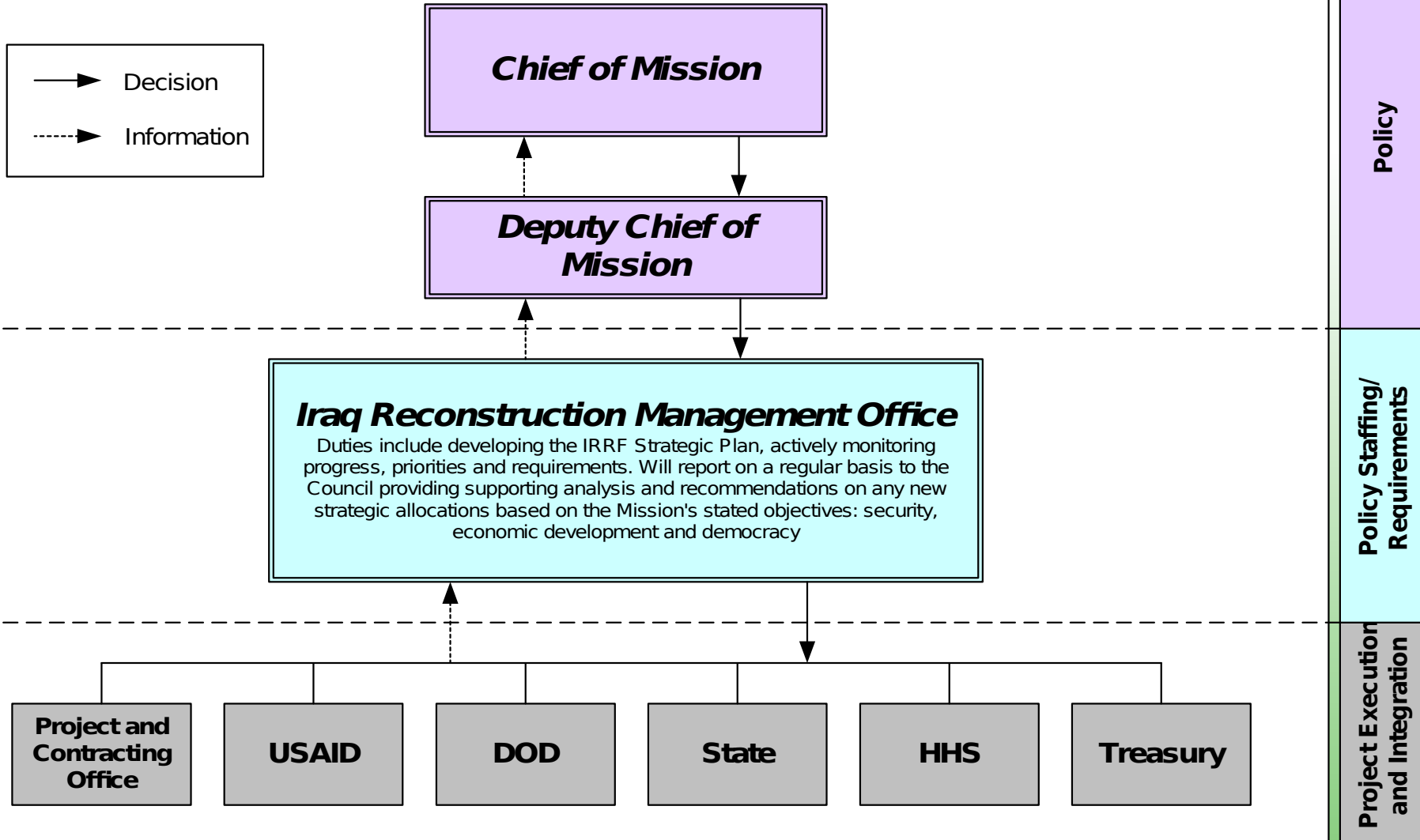
Bldgs, Health,
& Education
\$ 0.517 B



Trans & Comm
\$ 0.497 B



Post June 04 Coordination: US Team





DEFINE THE MISSION (DMAIC)

- Construct Iraq Infrastructure based on portfolio of projects assigned by the Chief of Mission; State Department.
- Generate Iraqi Employment
- Generate Capacity Development

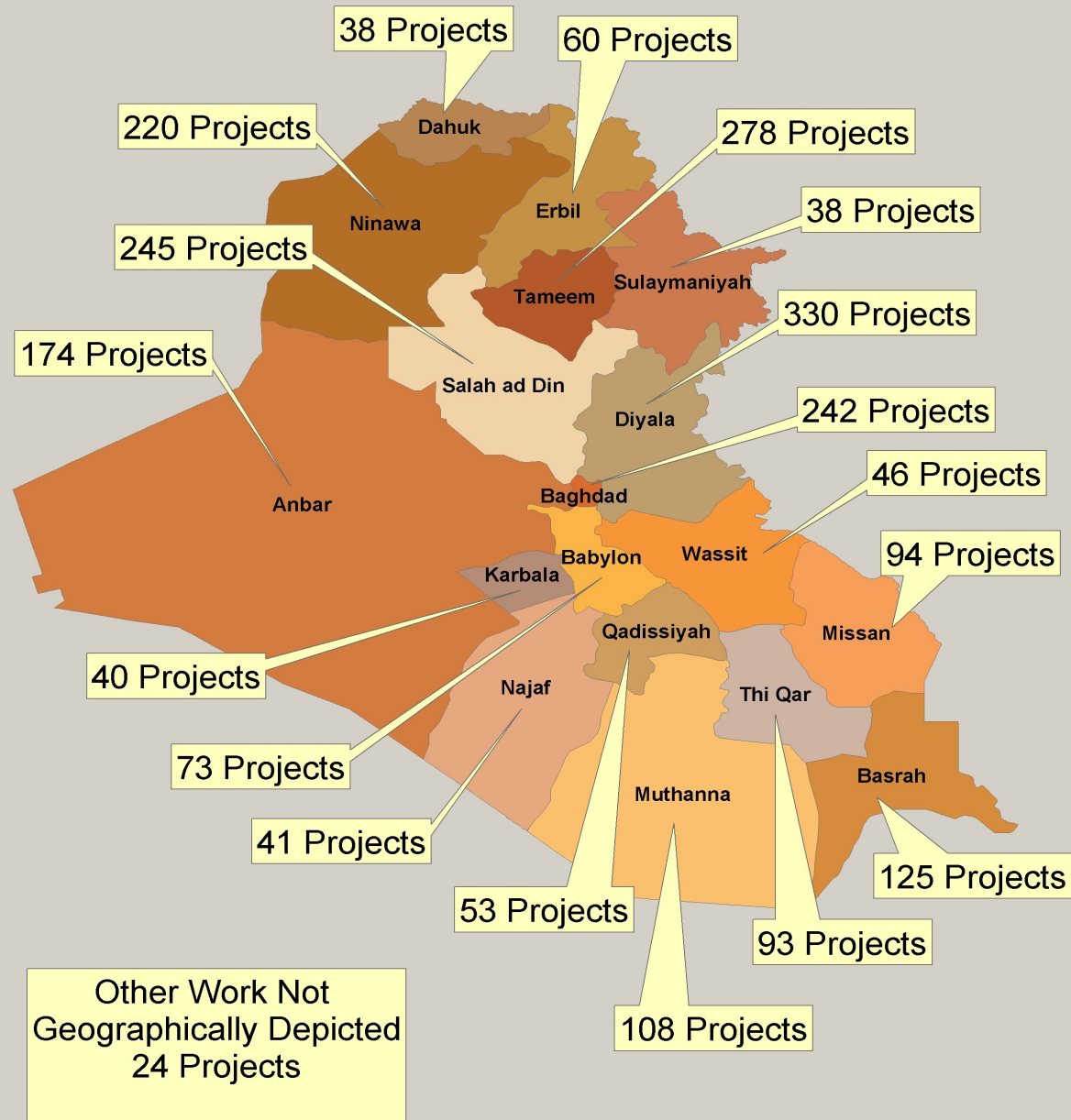


Geographic Distribution of Program

“Original Gameplan”

“Who can

Project Totals by Governorate





A “Life Cycle” Program Approach



Army Acquisition Process

- Concept Refinement
- Tech Development
- Systems Development
- Production and Deployment
- Operations and Support

Army: Iraq Reconstruction

- Scope Program
 - Prog Mngt Plan
- Design Projects
- Develop Support Systems
- Project(s) Construction
- Capacity Development

...(3,000+ projects / 6 sectors!)



HOW TO ADDRESS THE DYNAMIC ENVIRONMENT ?

RISK MANAGEMENT ISSUES !

• LEAN SIX SIGMA DMAIC Mngt Process



SEI Risk Management Paradigm

=

**DEFINE
MEASURE
ANALYZE
IMPROVE
CONTROL**



INFRASTRUCTURE

Identifying Risk Conditions

- **Unstable Iraqi Government Structure**
- **Major deterioration due to decades of neglect and poor maintenance**
- **Large geographic area: Logistics ?**
- **Significant security risks still exist !**
- **Iraqis lack of experience in sound O&M practices**



CREATING AGILITY THROUGH IMPROVEMENT AND ADJUSTMENT

- **Regional Operation Centers**
- **Logistic Movement Coordination Center**
- **Leveraging Others Capabilities**
 - USACE
- **Diversifying Contracting Strategies**
- **Moving to smaller projects while generating program momentum and Iraqi employment**
- **Putting an “Iraqi Face” on the work**



MEASURE AND ANALYZE

PROGRAM STATUS/ RESULTS TO DATE

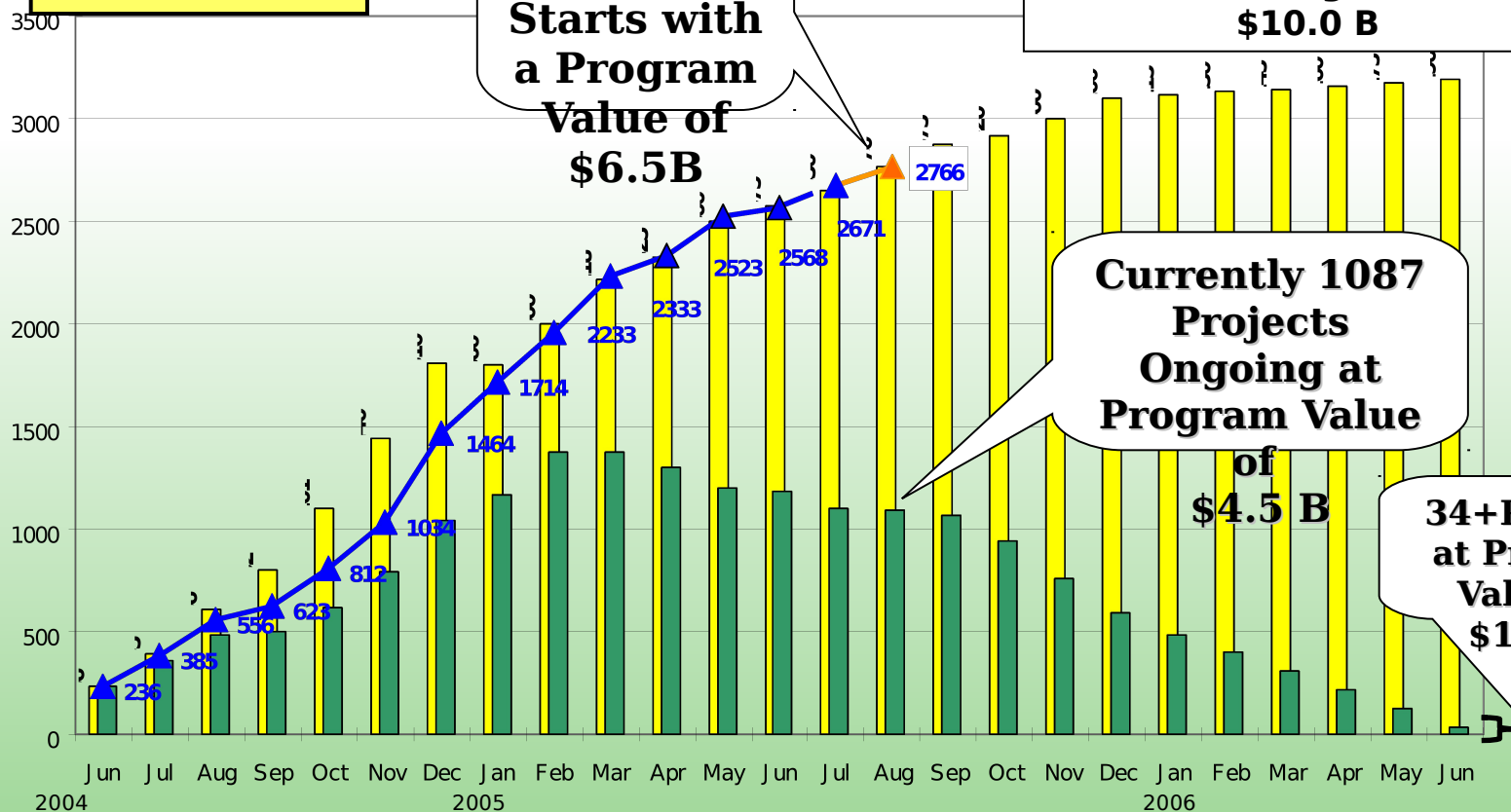


PROJECT STARTS

As of 20 Aug 2005

2766
Actual
Starts with
a Program
Value of
\$6.5B

* ± 3200 Projected
Starts at Program Value
\$10.0 B



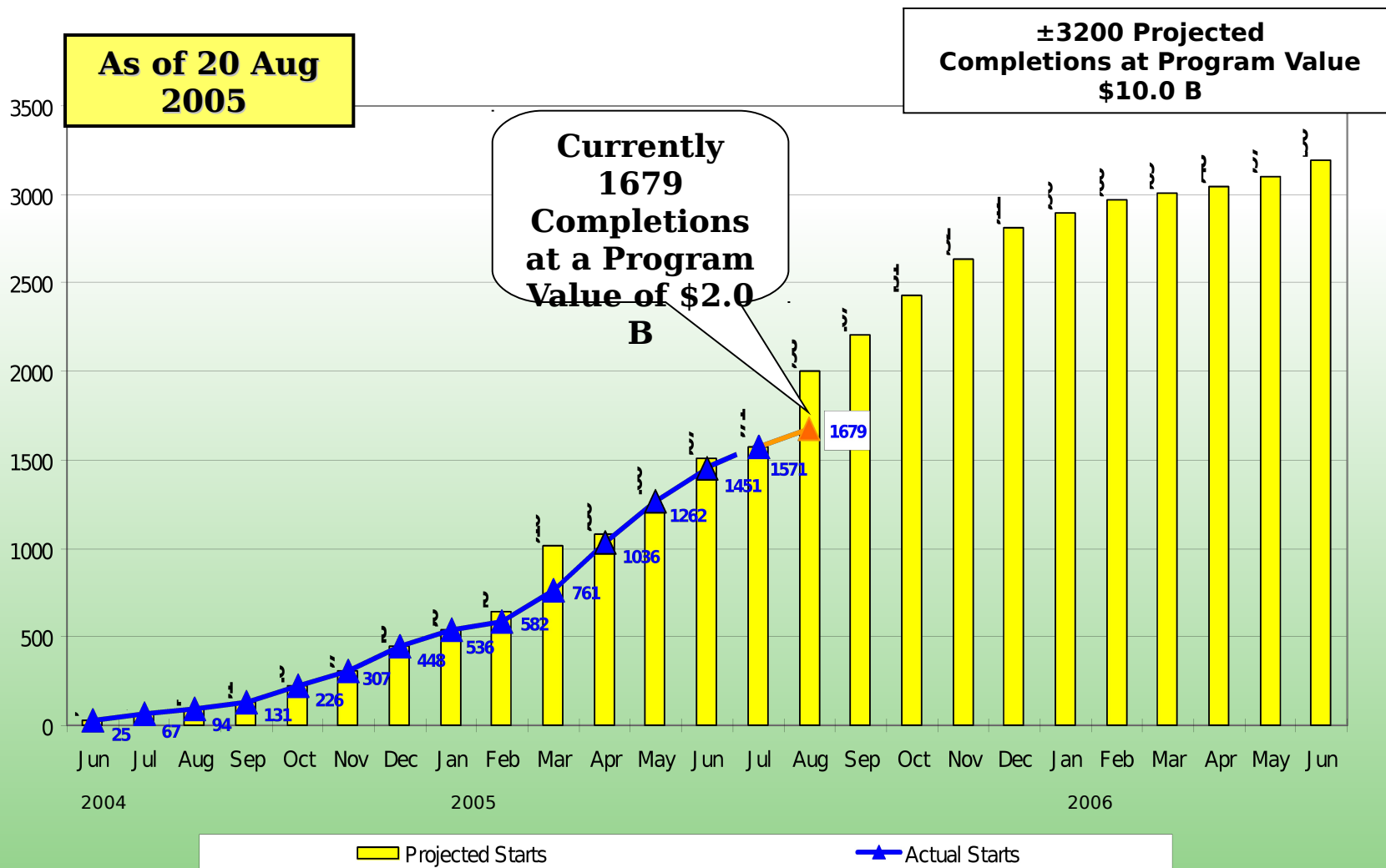
Projected Starts

Under Construction

Actual Starts



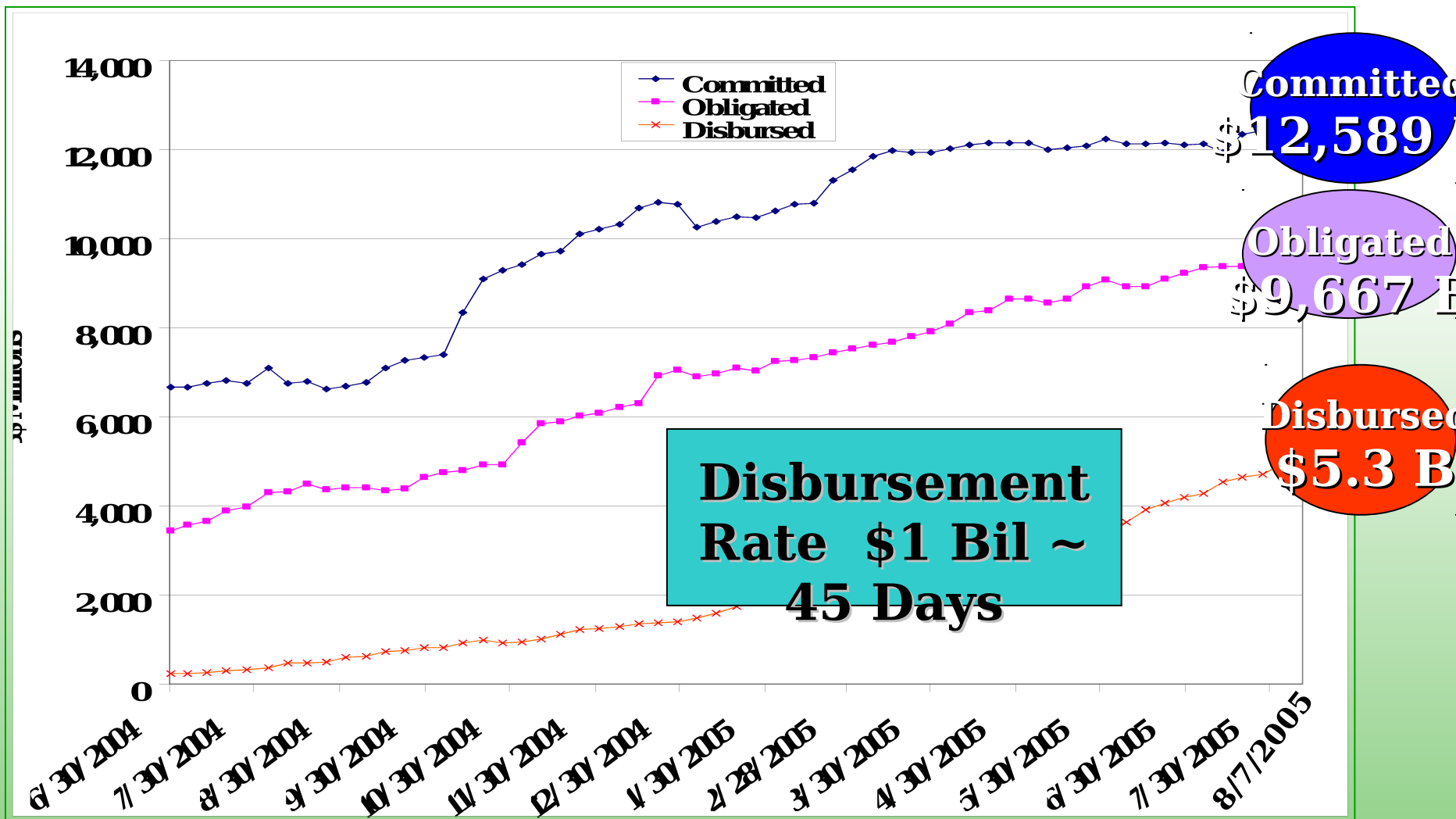
PROJECT COMPLETIONS (w/USAID)





FUNDING

As of August 7,
2005



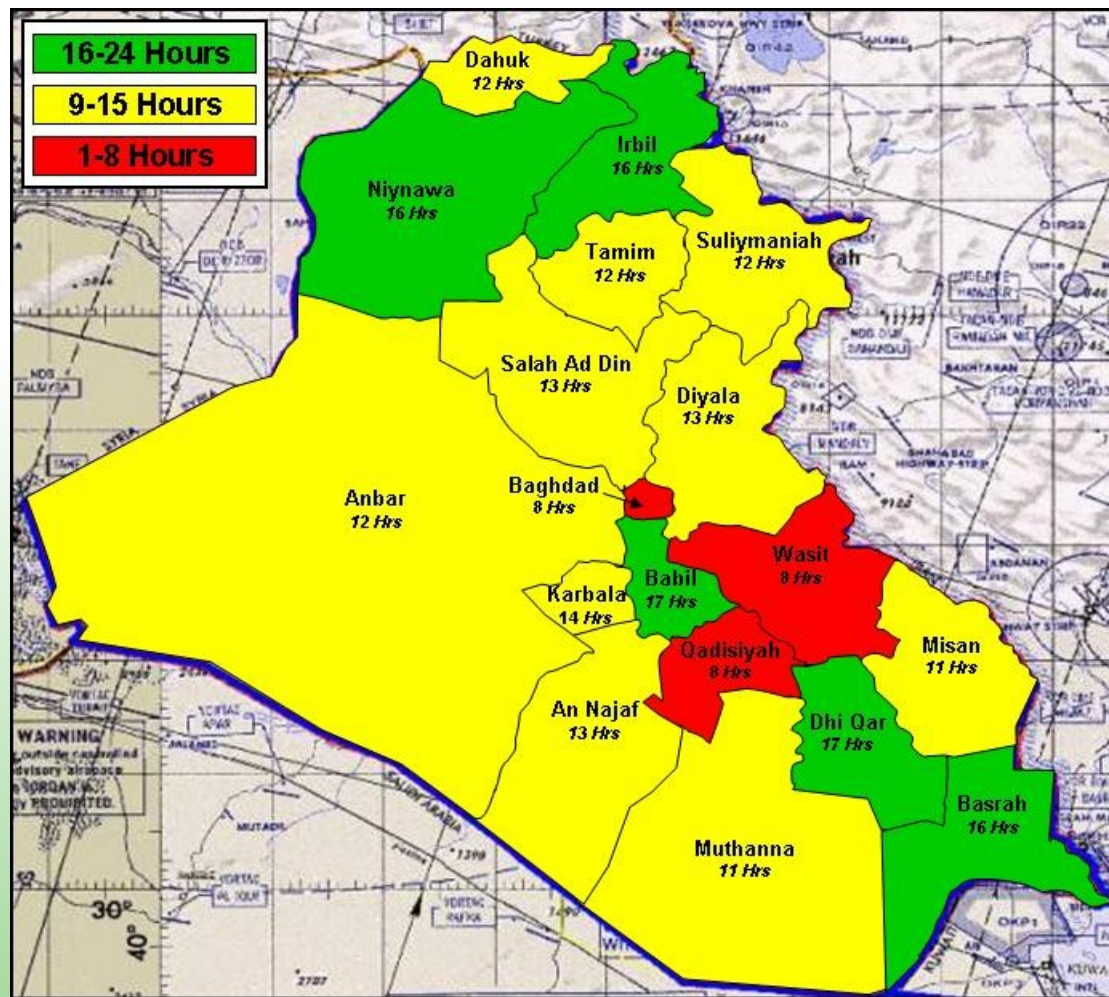


PCO Goals & Status

Sector	Goal	Completed	Impact
Electricity	1,570 MW Added	1,088 MW	Elec for 1.4 M Homes
Oil	3.0 MBPD	2.5 MBPD	\$ 4 B / Month
Water & Sewer	Increase Water Treatment Capacity by 1.0 million cubic meters of Water/Day	0.1 million cubic meters of Water/Day	Potable Water for 7.5 Mil People
Health	170 Medical Facilities	4 Medical Facilities	Maternity & Pediatric Care For 9.1 M
Education	800 Schools	692 Schools	Classrooms for 336,000 Students
Security & Justice	264 Border Forts	96 Border Forts	Covers 2,414 KM of Border
	581 KM Roads	78 KM Roads	581 KM of



Essential Services - Hours of Available Electricity



Electrical Power Distribution per province:
Aug 9th – 15th 2005
AVG 12 Hrs / Day



Basrah Airport Used for First Domestic Iraqi Airways Service



Cost:
\$37,000,000

Start Date: 7 Dec 04

Completion Date: 8 Jan

06 IRRF projects will bring Basrah International Airport up to International standards

- On Saturday 4 Jun 05, Iraqi Airways inaugurated its first domestic route from Baghdad to Basrah since the fall of Saddam Hussein



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AIRLINERS.NET





Khor Al Zubair New Generation 1,000,000 Safe Man-Hours Celebration

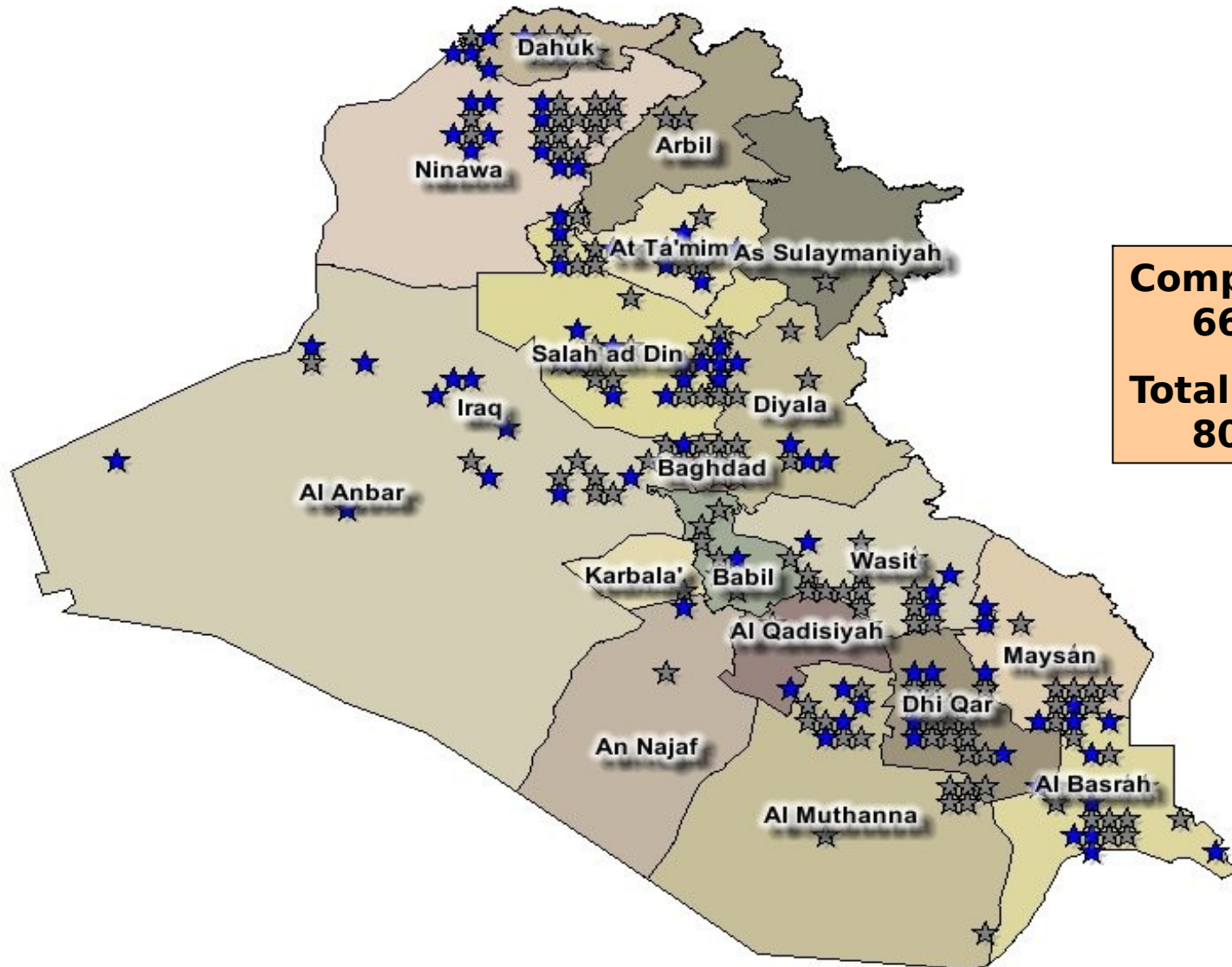


Iraqi workers at a Safety Festival, celebrating 1,000,000 safe man-hours

Project Cost: \$140 M
Project Start: Dec 6, 2004
Completion: Dec 15, 2005

Khor Al Zubair (KAZ) Power Plant celebrated 1,000,000 safe man-hours on Aug 10, 2005. The project will provide 230 new MW onto the grid, is on budget, and scheduled for a 15 December 2005 completion. Fluor-AMEC is prime

IRRF Education Projects



**Completed
665**

**Total Planned
800**



School Renovation & Construction



Program Cost: \$86 M

Program Start: Jul 26, 2004

Completion: Sep 30, 2005

% Complete: 83% **all 95%**
have been started, with the rest to be started by the beginning of September.





Public Works & Water Sector



Potable Water



Shark Dijlah WTP Expansion
Sewerage

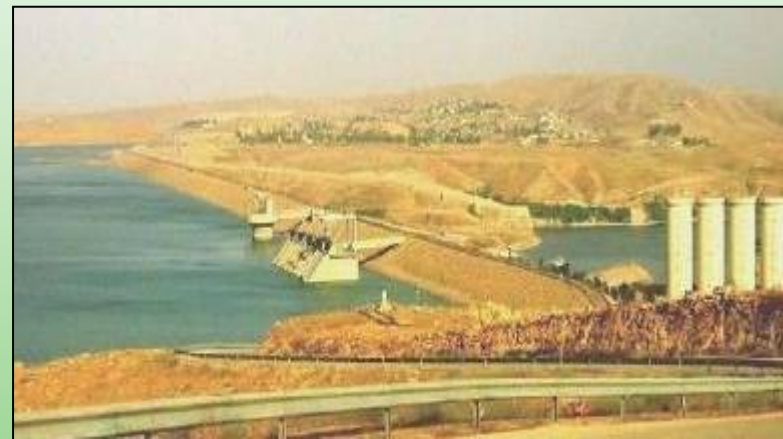
Water Conservation



Rural Water Taps
Dams



Basra City



Mosul Dam



Health





Security and Justice



Military Facilities

Police and Fire Stations



An Numaniyah Military Base



Dawoody Fire Station

Public Safety Training Academies



Baghdad Public Safety Training Academy



Iraqi Special Tribunal



Oil



Import/Export Projects



Oil/Gas Gathering & Conditioning



SOC GOSPs

Downstream Projects



KAOT Shipping Terminal



Refinery Repairs



Transportation & Communications

Bridges

Roads



Al Dora - Yousoufiyah Freeway
Aviation



First Responder Network
\$2.4 M



BIAP Terminal



GOAL 2: Iraqi Employment

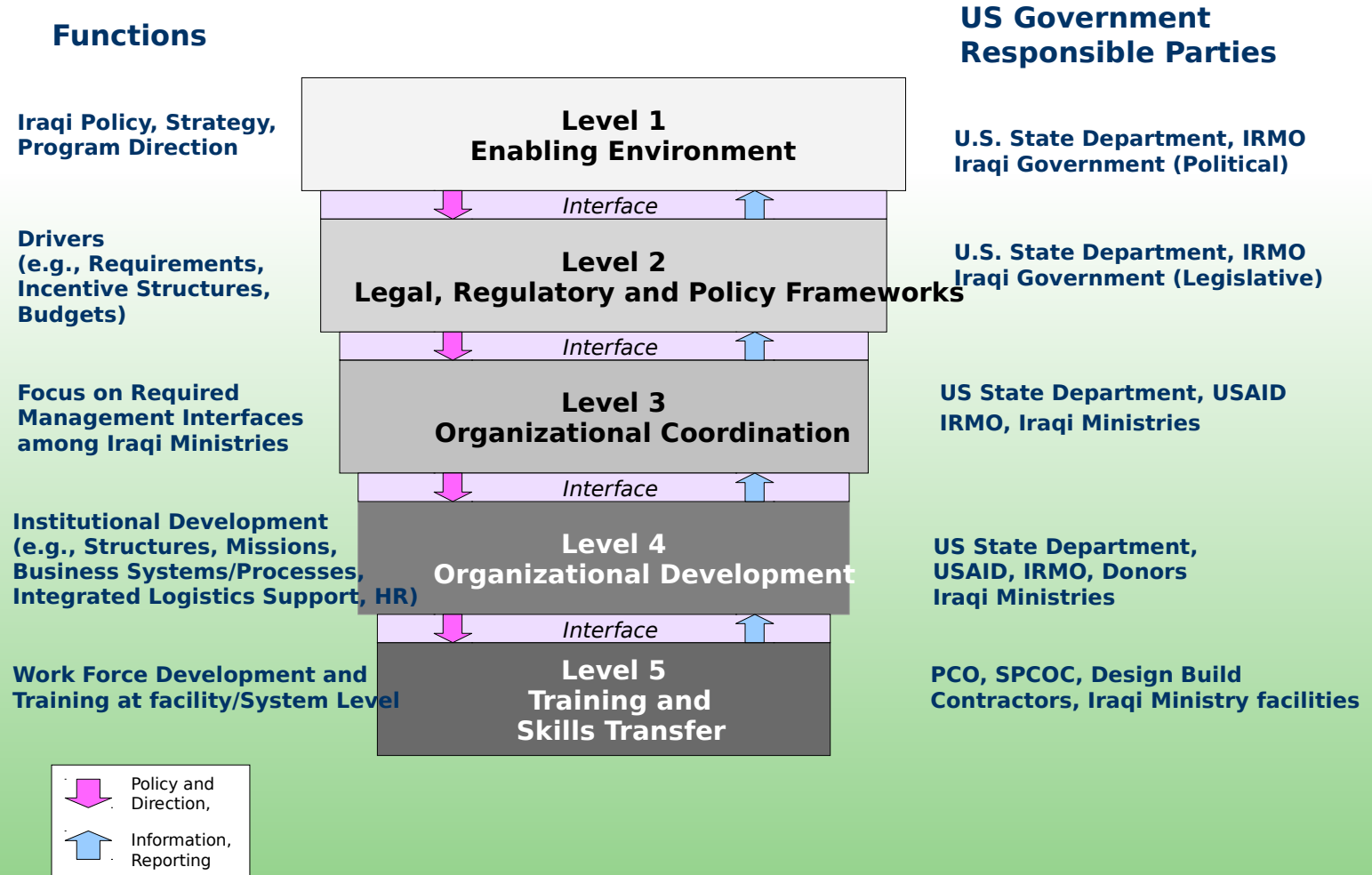


43,000 +



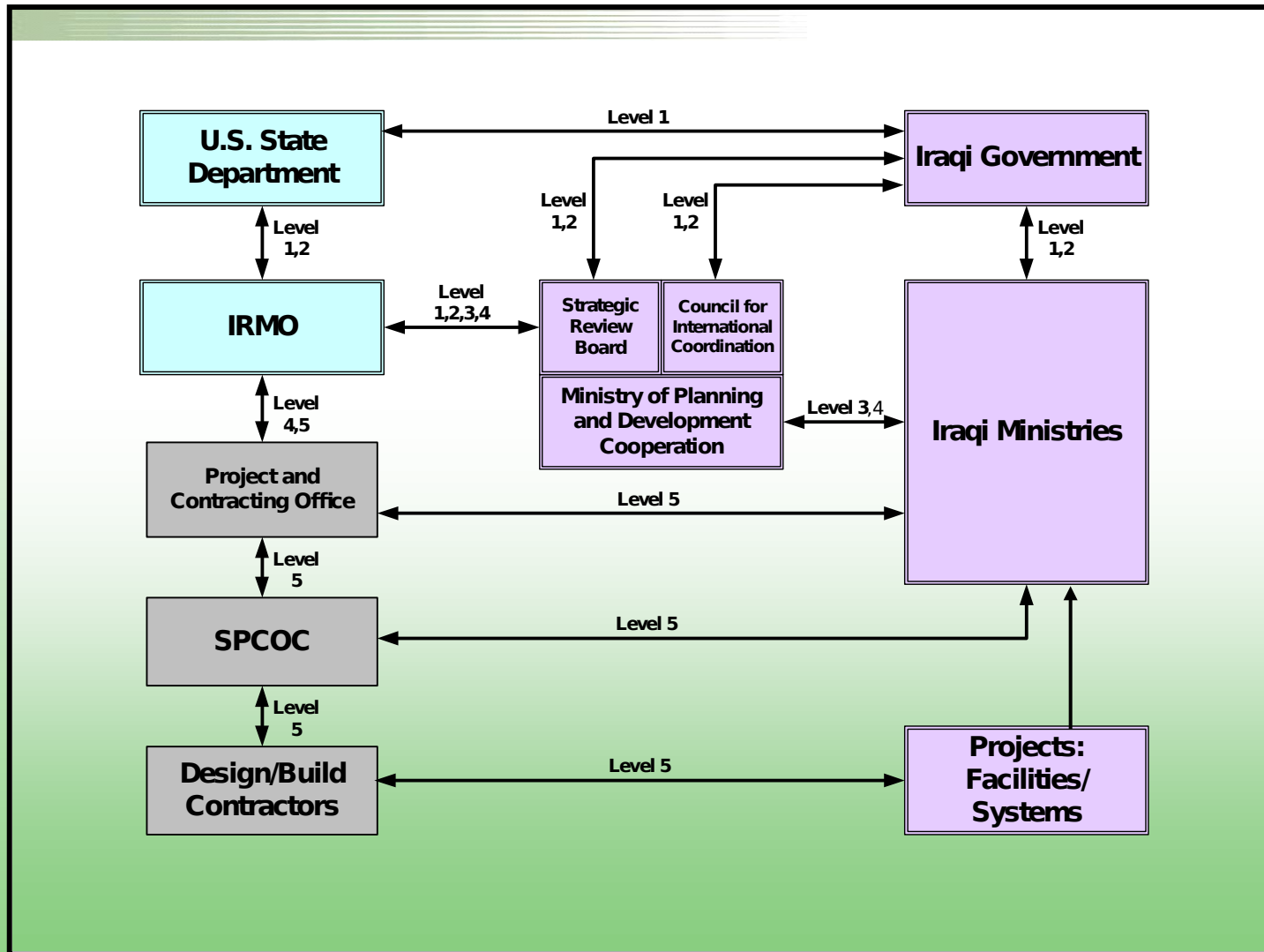


GOAL 3: SUSTAINABILITY MODELING CAPACITY DEVELOPMENT Analyze-Improve-Control





BROAD PICTURE ORGANIZATIONAL INTERFACE DIAGRAM (By Capacity Development Level)





One-Year Cor



Comparison Area	Pentagon Reconstruction	Iraq Reconstruction
Projects	1	> 1,300
Environment	Totally Secure	High Threat
Work Area	< 5 Acres	> 166,858 Sq Mi
Cost	± \$ 500 Mil	> \$ 3.5 Bil